REMARKS

Applicant respectfully requests reconsideration of the present application in view of the foregoing amendments and the reasons which follow.

Claims 47, 48, 50, 52-55, 57, 60, 75, 76, 78, 80-82, 85, 88, 103, 104, 108-110, 113, 116, 119, and 129, have been amended. New claims 134-136 directed to sending endorsement information to the remote site have been added to further protect applicants invention, and new claims 137-139 have been added to add the limitation that both the original check image data and the endorsed and/or voided check image data are transmitted. Accordingly claims 47-139 are presented for examination.

The present invention is focused on a unique set of operations, electronic queries, and steps creating, using and manipulating check images in order to speed the operation of depositing checks, as well as to reduce the amount of paper flow, handling, storage and returns used in current banking systems. The use of an original check image file and an endorsed check image file in a unique sequence of process steps, a substantial majority of which are implemented by electronic queries and responses in a claimed communication operation, facilitates transactional operations and/or verification for ultimate transfer throughout the banking system (as contrasted to archival purposes), and is new, unique, and revolutionary in banking circles.

General Description and comparison of Cited Patents

        a.   **Lowery (Patent: 6,189,785)** – Demand Deposit Account Data Processing System

A Demand Deposit Account Data Processing System as described by Lowery allows merchants to settle sales transactions on line and in real time. As described and used by Lowery the basic flow of the transaction in a point of sale transaction is that an individual makes a purchase at a merchant location and writes a check (known as a first party check) in the amount of the sale.

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The merchant then scans the check and electronically forwards the check data and image to a central location for storage. The central location then forwards only the check data directly to the check makers' bank (maker bank) where the check is debited to the check maker's checking account. Debiting a check is the process whereby funds in the amount of the check are <u>removed</u> from the check maker's checking account. These same funds are then credited to the merchants account to complete payment for the sales transaction at the merchant location. After the electronic transfer of funds has been completed the merchant is electronically notified, the customer approves the electronic transaction (column 11, line 15 – column 12, line 11) and the check is voided and either returned to the check maker customer at the point of sale location or stored by the merchant as proof of the sales transaction.

In comparison, claim 47 is a system for depositing one or a summed amount of a plurality of third party checks into a depositor's account at a bank of first deposit and also forwarding the check(s) to the check maker's bank (maker bank) to be debited to the check makers account. Those skilled in the art understand that the terms deposit and credit, when used to describe the flow of funds associated with depositing check(s) into ones account, is the process whereby funds in the summed amount are <u>added</u> to the <u>depositor's</u> account at a <u>bank of first deposit</u> as compared to the opposite functionality described by Lowery of debiting (or <u>taking funds out of</u>) a check makers account at the <u>maker bank</u>.

Another distinction over Lowery is that the point of sale process taught by Lowery is done with authorization from the check maker at the time of the transaction and involves only the check maker authorizing the real time and online debiting of funds from his demand deposit account at the maker bank using his own check as the vehicle by which to debit his account and using a direct communication to the maker bank so that no endorsement by other financial institutions is possible or desirable. In comparison, the claim teaches a deposit process automated to enable crediting a sum of any number of checks

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from different third parties to the depositor's account (which can be any kind of a deposit account, not just a demand deposit account as is the case in Lowery) at a bank of first deposit and also forwarding the checks to be debited from the check maker's demand deposit account at the maker bank. Neither the depositor or the third party have to be present to authorize the transaction of debiting funds from the maker's account at the maker bank as is the case in a point of sale transaction.

Cahill et al. (Patent: 5,940,844) – Method and Apparatus for Displaying Electronic Image of a Check

The Cahill patent teaches a process for storing and retrieving images of documents. Once stored the documents are available for various viewing and reporting functions.

Claim 47 teaches the electronic depositing, presenting for payment, and settlement of third party checks by a first party. The claim's main focus is the processing of the checks once they are stored. The inventive deposit processing teachings of the claim describe a complete process for using stored check images to facilitate the deposit processes.

Claim Rejections Section

Response

(1)   Regarding claim 47

* Examiner Argument

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It is noted that the examiner has cited Lowery column 6 lines 28-52 as disclosing "a method for processing at a central site an original check deposited at a remote site comprising the steps of receiving electronic deposit data, electronic check data and original data for a plurality of checks to be deposited." This interpretation and rejection are respectfully traversed.

• Response

It is well known by those skilled in the art that the process being described in this Lowery reference is a point of sale transaction where a check is being submitted in payment for goods or services at a merchant location. This point of sale process is recognized and described by Lowery (column 6, lines 10-28). By further definition in the art, point of sale transactions are debited to the check maker's account in an on-line real-time basis while the check maker is present at the point of sale location. See column 12, lines 1-11. It is understood by those skilled in banking transactions that a debit to the check maker's account is a charge against the makers account in which funds in the amount of the check being debited is withdrawn from the check maker's account. Those skilled in the art further understand that the process of debiting a bank account for the amount of a check is the complete opposite of depositing into an account (which deposit is a credit to the account or putting money into the bank account). Therefore, in the cited reference, Lowery is debiting an account, which by definition excludes the possibility that the cited reference describes in claim 47 as amended "receiving electronic <u>deposit</u> information including a deposit account designation and where a plurality of checks from different third parties are being deposited by a single depositor a deposit sum." In comparison, the claim is specifically focused on processing deposits (credits) as compared to the point of sale focus of Lowery.

• Examin r Argument

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The examiner further cites "identifying errors in the electronic check data (column 7, lines 15-23)." This interpretation and rejection are respectfully traversed.

- **Response**

    In examining the cited reference (i.e. Column 7, lines 15-23) no mention is made of "identifying errors in the electronic check data". However, a thorough review of the remainder of '785 shows a number of references to "identifying errors in the electronic check data". Those references are: Column 3, lines 47- 63; Column 4, lines 42-52; column 6, lines 28-42; column 9, lines 1 – 11. Each of these references refers to identifying errors in either demand deposit account data and/or sales data and then performing a correction at the central site using the host data warehouse. In contrast, in claim 47 as amended, such correction is identified at the central site and an instruction is sent to the remote site so that the correction is made on the data record at the capture location. More specificly, a new element has been added to the claim. Namely, "if MICR and/or image data errors are identified in the electronic data, then sending an instruction to the remote site to correct the error."

    With respect to this new element, the cited reference is written from the perspective that if the item data (as compared to the image data) is sent from the database to the maker bank and is returned for a not-located or invalid account number, then the data base software of Lowery pulls up the data image stored on the database at the central site, corrects the invalid account number, and re-submits the data record to at least one of the financial institution data sources. This chain of events occurs only after the items have been captured at a point of sale location and stored in a central database in preparation for posting to the check maker's demand deposit account at the maker bank. Also, Lowery states that the data is returned to at least one of the financial institution's data sources.

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In comparison, the claim as amended requires that images of the items being deposited at the remote site are received at the central site processor and, if there are any problems with either the image or the image data, the central site processor sends an instruction to the remote site to either re-run the item to get new image or item data or asks the remote site operator to correct the data and re-submit the data to the central site processor.

Thus, Lowery teaches limited correction only at the database at the central location. The ability of the claimed invention to correct all MICR fields at the capture location in a deposit process enables the person responsible for correcting the data to make the correction based on the ability to view the physical item itself to accomplish the repair.

- Examiner Argument

    The examiner further states "if no errors are identified, sending endorsement and or voiding authorization to the remote site (column 12, lines 1-22)." This interpretation and rejection are respectfully traversed.

- Response
    As taught by Lowery this operation has to do with settling the transaction as it is presented for deposit to the maker's account as a point of sale transaction. Settlement includes withdrawing funds from the check makers' account. This reference cites exception conditions related to the authorization process ("this recognition and repair function uses the exception database 122 when the transaction information first proceeds through the authorization process," col. 9, lines 4-7) as compared with error conditions (as set forth by the claim). The distinction between exception and error resides in the timing for the

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process being describ d. The exception as used by Lowery arises when the settlement occurs (as previously described), while error correction as taught by the claim is done during the process of capturing and qualifying the physical check item.

Additionally, Lowery further teaches voiding or franking the check item in front of the customer, but only after the settlement has occurred. However, Lowery does not teach endorsement in any form as now required by this amended claim. By the examiner making the argument to combine sending endorsement and voiding information, the examiner is arguing something that those skilled in the art of banking understand Lowery does not teach. To be more specific, Lowery communicates directly with the demand deposit operation at the maker bank with no intervening communications, so there is no need for endorsements by intervening banks, because they are not in the Lowery process.

- Examiner Argument

    The examiner further cites "receiving endorsement data (column 7, lines 19-23). This interpretation and rejection are respectfully traversed.

- Response

    In citing this reference in Lowery the examiner has chosen to equate the "delivering a corresponding receipt to the point of sale printer that indicates the appropriate void or credit information" with the claim element "receiving endorsement and voided check image data." Because Lowery is describing a point of sale transaction (as opposed to the claim teaching a deposit process) the printing of a receipt on a point of sale printer is included in the operation. But note that this printing of a receipt is taking place at the remote point of sale location and does not involve a transmission of an endorsed and voided check image to a central site. In contrast, claim 47 does not have a point of sale printer

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and therefore cannot print anything on a point of sale printer. Thus, those of common skill will understand that the teachings in Lowery and the claim in this reference are not remotely related.

As stated previously, Lowery teaches voiding or franking the check item in front of the customer. It is a common practice to void a check item that has been replaced by an electronic record. Those skilled in the banking industry understand the process of voiding a monetary item to keep it from being further processed or processed a second time. However, Lowery does not teach endorsement in any form. By the examiner making the argument to combine sending endorsement and voiding information, the examiner is arguing something that those skilled in the art of banking understand Lowery does not teach. To be more specific, Lowery communicates directly with the demand deposit operation at the maker bank with no intervening communications, so there is no need for endorsements by intervening banks, because they are not in the Lowery process. Any attempt to add an endorsement feature would thus not make sense in Lowery.

- Examiner Argument

    The examiner refers to column 7, lines 35-55 as the Lowery reference for "sorting the received data." This interpretation and rejection are respectfully traversed.

- Response

    The reviewer could not find any reference to sorting of data in the above-cited reference.

- Examiner Argument

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The examiner additionally relies on column 9, lines 12-23 for transmitting associated electronic check data and the original check image data and/or the endorsed and/or voided check image data directly or indirectly to a maker bank or a print site associated therewith. This interpretation and rejection are respectfully traversed.

* Response

A new element has been added to claim 47, namely, "<u>providing the electronic deposit data to an accounting system for a bank of first deposit</u>".

The Lowery reference teaches that the image is used to debit a demand deposit account in a maker bank which demand deposit account is an integral part of the initial functionality of the point of sale process of Lowery. In contrast, the <u>depositing step to an accounting system for a bank of first deposit is an integral part</u> of the depositing process as described by the amended claim and this same step does not exist in the actual point of sale debiting process as described by Lowery. Therefore, Lowery cannot and does not teach sending check images to the maker bank in the context of a deposit processing process. Lowery also does not teach sending check image data directly or indirectly to a print site associated with a maker bank.

Examiner Argument

The examiner further notes, "Lowery does not disclose the use of voided check image data for processing checks. However, Cahill discloses the use of voided check image data (column 2, line 52 – column 3, line 15, and column 6, lines 40-50). Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Lowery's to include the feature above for the purpose of cost saving and time consuming, because it eliminates the use of paper checks. This interpretation and rejection are respectfully traversed.

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- **Response**

    The examiner is correct in finding that Lowery does not disclose the use
    of voided check image data for processing checks. In reviewing the
    above-cited Cahill reference the reviewer could find no mention made of
    voided check images used for any purpose. Cahill does reference in
    column 6, lines 40 – 50 the use of the endorsement section. It should
    be noted that those with common banking knowledge understand the
    use of the endorsement section of a check as the place on a check
    where a payee would indicate its account number and signature or
    endorsement stamp. It is common practice to apply endorsements in the
    area on a check designated by the banking industry. Cahill correctly
    explains (column 6, lines 41-51) that an endorsement section on a check
    is the "section where a payee would indicate its account number and
    signature or endorsement stamp". However, when so explaining, Cahill
    is not teaching an inventive process, but merely stating the industry
    practice in common use. Those with ordinary skill and understanding
    know that the endorsement section can be added for as many times as
    the check passes into the hands of another payee. Those with ordinary
    skill also know and understand that the terms void and endorsement
    refer to entirely different things and cannot be used interchangeably (as
    previously explained herein). In addition, neither Cahill nor Lowery teach
    the process taught by the claim of sending endorsement authorization
    from the central site to a remote site. The examiner further states "it
    would have been obvious to one with ordinary skill in the art at the time
    the invention was to modify Lowery to include the feature above for the
    purpose of cost savings and time consuming, because it eliminates the
    use of paper checks". By so stating the examiner is citing a very
    improbable assumption. The reviewer believes that the examiner takes
    an illogical step when inferring that taking the Cahill industrial volume
    banking operation of storing processed check images and applying that
    to the Lowery point of sale process is possible or even desirable. There

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is no reason for a point of sale remote location to want or n ed bank
endorsements because this is a demand deposit account operation where
there is direct communication with the maker bank. Other banks do not
come into the process. Thus, there is no need for an endorsed and/or
voided check image at the demand deposit account of the maker bank.
Also, the actual voiding taught by Lowery occurs at the end of the
process after the settlement has been done by the maker bank. See
column 12, lines 1-11. Thus, the voided check could not be part of the
settlement process taught by Lowery.

ii.   Regarding Claim 48

- Examiner Argument

    The examiner observes that "Lowery discloses sending the electronic
    deposit data, the electronic check data and the original check image data
    to a bank of first deposit (column 8, lines 35-45). Also, see claim 47 for
    the use of voided check image data. This interpretation and rejection are
    respectfully traversed.

- Response

    Note that the providing of electronic deposit data to a bank of first
    deposit has been moved to claim 47, because in a deposit system, the
    actual deposit is occurring at the bank of first deposit. Referring to
    Lowery, because Lowery is a point of sale system there is no need and
    indeed no reference in Lowery to electronic deposit data or to a bank of
    first deposit. Those with ordinary skill understand that bank of first
    deposit and electronic deposit data are terms and designators used and
    described in concert with deposit transaction banking systems and not
    with point of sale systems. The Bank of first deposit is the bank where a
    deposit is made as compared to Lowery, which does not make a deposit

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but debits accounts at a payor (maker) bank, which is what is discussed at column 8, lines 35-45 cited by the examiner. Thus, this operation is completely missing in Lowery.

Regarding Claim 49

• Examiner Argument

The examiner observes that Lowery discloses receiving electronic deposit data, electronic check data and original check image data for a plurality of different deposit transactions, the checks for each one of the plurality of different deposit transactions to be deposited at a different bank of first deposit; and sending each one of a plurality of the different deposit transactions to a respective different bank of first deposit (column 7, lines 35-38 and column 8 lines 35-45). This interpretation and rejection are respectfully traversed.

• Response

The reference to column 7, lines 35-38 is based on sending transaction information from a plurality of <u>point of sale</u> terminals to be automatically logged. And in the reference to column 8, lines 35-45 a transaction is sent to the payer (maker bank) institution for a given <u>point of sale transaction</u>. Those with ordinary skill in the art understand Lowery's description of sending of a transaction from a plurality of point of sale terminals to the paying institution (either singular or plural) involves sending point of sale transactions to be debited at the paying bank and there is no involvement in the process of a bank of first deposit – because there are no deposits. In comparison, claim 49 sends different deposit information (captured at one or more remote sites) to various different banks of first deposit for crediting to respective depositors

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accounts and also forwards the deposited third party checks to the
various maker banks for debiting to the check maker's demand deposit
account. Also see claim 47 for an explanation for the use of voided
check image data.

b.   Regarding Claim 50

• Examiner Argument

The examiners comments are "Regarding to claim 50, Lowery discloses
reading original check image data to create image information data; and
comparing the image information data to the electronic check data
(column 6, lines 28-43). This interpretation and rejection are respectfully
traversed.

• Response

Lowery does capture the check image and the MICR line data.
The claim also captures the check image and MICR line information.
Lowery's example teaches specifically to use only the account number
from the MICR field for processing the check data. In the field of point
of sale transactions only the account MICR field is required to correctly
debit the funds from the check maker's account. The claim as amended
teaches at the remote site isolating these same MICR fields from the
check image as a source for comparison of the data captured by reading
the MICR data and image independently. The claim then compares the
MICR data from the MICR field and the MICR data from the item image
to help resolve any read errors. This is a distinct function taught by the
claim and not mentioned or taught by Lowery. Lowery teaches repairing
account data from the image and MICR data captured on the scanner for
a transaction at the central site that is present d to the maker bank for

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payment and rejected based on bad data. In comparison, and because it is imperative that all of the data on the MICR line must be correct for an item to be successfully processed through the remote deposit process, the claim compares the check image data to the previously captured MICR data <u>at the remote site</u> <u>prior</u> to transmission to the maker bank to ensure that all of the information is correct. The application invention then forwards the image to the maker bank for processing as compared to Lowery who only sends item data (captured from the image) for further processing.

Regarding Claim 51

- Examiner Argument

    The examiner cites that Lowery discloses storing at least one of the original check image data and the endorsed or voided check image data on a server accessible from the Internet and cites the claim 47 discussion for the use of voided check image data (column 10, lines 30-36). This interpretation and rejection are respectfully traversed.

- Response

    Lowery teaches storing image data accessible to the Internet in reference only to a point of sale transaction and then only to a voided point of sale transaction. Lowery makes no mention of doing so for deposited items as taught by the application invention and in fact Lowery cannot teach storing endorsed items for access over the internet based on the fact that Lowery does not endorse items. Also see claim 47 for an explanation for the use of voided check/endorsed image data.

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Regarding Claim 52, 53, 57

- **Examiner Argument**

    The examiner states that "Regarding to claims 52, 53, 57, Lowery does not disclose determining if a bank of first deposit is a maker bank for the original check (claim 57); determining if the maker bank requires a hard copy of the original check; and if it does, sending the original check image data to a print site for printing and sending directly or indirectly to the make bank; and if it is the maker bank, However, it is well known in the art of processing checks to determining if the maker bank requires a hard copy of the original check, Moreover, Lowery teaches if it the maker bank does not requires, sending the original check image data directly or indirectly to the maker bank (column 9, lines 12-23. Cahill teaches if the maker bank requires a hard copy of the original check sending the original check image data to a print site for printing and sending directly or indirectly to the maker bank (columns 45, line 10). Therefore, it would have been obvious to include that feature with Lowery for the purpose of time consuming, because it eliminates the use of paper checks." This interpretation and rejection are respectfully traversed.

- **Response**

    The reviewer agrees with the examiner that Lowery does not disclose determining if a bank of first deposit is a maker bank for the original check. However, the reviewer respectfully disagrees with the examiner on the statement that "it is well known in the art of processing checks to determining if the maker bank requires a hard copy of the

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original check". The common practice in the art of check processing is
not to send anything to the maker bank but the original paper check. It
is in fact a teaching of the claim that the original check is voided at the
remote deposit location and that a determination and/or query is
performed re the need for a hard copy and either a check image or a
paper duplicated printed check is presented to the maker bank if so
required. Therefore, the claim is teaching, for the first time, the need to
determine if a maker bank requires a hard copy of the original check, and
if it does, sending the original check image data (not the hardcopy) to a
print site (claim 52) or printing at the central site (claim 53) for printing
and sending directly or indirectly to the maker bank.

The reviewer also disagrees with the observation made by the
examiner that "Lowery teaches if the maker bank does not require (a
hard copy of he check), sending the original check image data directly or
indirectly to the maker bank (column 9, lines 12-23)." More correctly, as
observed by the reviewer, what Lowery teaches is correcting a data
record using information gleaned from the image of the check at the
central site and then sending the data record (without an image
associated with it) to the maker bank. In comparison, the claim teaches
sending the check image to the maker bank, but only after the initial
communication query.

In response to "Cahill teaches if the maker bank requires a hard
copy of the original check sending the original check image data to a
print site for printing and sending directly or indirectly to the maker bank
(columns 45, line 10)", it is true that Cahill does teach printing an image
of the check. Because Cahill does not teach anything about deposit
processing it cannot and does not teach making the initial electronic
query followed by sending the printed hard copy of the check to the

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maker of the check for the purpose of deposit processing. It also do s
not follow that "it would have been obvious to include that feature with
Lowery for the purpose of time consuming, because it eliminates the use
of paper checks" because Lowery does not require or teach the need for
a paper hard copy of the original check.

Based on the fact that Lowery teaches a point of sale process, it
does not require a reprinted paper copy of an original check. There is no
use for a paper check in point of sale processing. One of the key
reasons for this is that the check maker in Lowery is the one authorizing
the use of their check to be converted to electronic data (not an image)
for debiting the check.maker's account. In the field of check processing
it is well known by those of ordinary skill that the reason for storing
either a paper copy of the check or the check image is to prove to the
original check maker that the check was written by them. A point of
sale system as taught by Lowery does not need this feature based on the
fact that it is the check maker itself that authorizes the use of their
check. In addition, in most instances, the check maker is given their
check back (Lowery 12, columns 1-11) at the point of sale so there is no
need for the check maker to request a copy of the check. Therefore, it
follows that a point of sale process designer would not logically infer
from either Lowery or Cahill the need for a reprinted paper check to send
to the maker bank.

c.   Regarding Claim 54, that claim has been cancelled and selected
limitations thereof have been incorporated into claim 47.

d.   Regarding Claim 55

• Examiner Argument

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The examiner states "Lowery discloses after receiving the data, sending an electronic notification to the remote site that a deposit is complete (column 11, lines 27-39). Also, see claim 47 for the use of voided check image data". This interpretation and rejection are respectfully traversed.

- **Response**

  The reference cited by the examiner has to do with "message prompts that are unique to the merchant's business, such as authorization receipts specific to the electronics funds transfer authorization requirements and state service fee disclosures" (column 11, lines 27 – 30). Because the point of sale system taught by Lowery does not do any deposit processing, it is understood by those skilled in the art of banking that the communication to the remote site as taught by Lowery does not describe that a deposit is complete as asserted by the examiner. The use of voided/endorsed check image data is discussed in claim 47.

    e.   **Regarding Claim 56**

- **Examiner Argument**

  This finding states, "regarding to claim 56, Lowery discloses formatting the electronic check data and the original check image data for processing in an accounting system of the bank of first deposit (column 9, lines 12-15)". This interpretation and rejection are respectfully traversed.

- **Response**

  Those with ordinary skill will understand that Lowery is teaching an automated point of sale system that deals only with a maker bank. Because a point of sale transaction is not a deposit there is no need for a bank of first deposit. Lowery cannot teach a bank of first deposit activity if there is not a bank of first deposit associated with a point of sale transaction.

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f.   R garding Claim 58

* Examiner Argument

The examiner further observes that "Lowery discloses receiving return check image data for a return coupled with a reference key for an original deposit transaction (column 11, lines 40-50". This interpretation and rejection are respectfully traversed.

* Response

Those skilled in the art understand that a return is most accepted as being associated with a check having been sent under the authority of a bank of first deposit, to a maker bank where the maker bank attempts to debit the check to the check maker's account. If the check cannot post to the maker's account for any number of reasons (such as a the maker's account is closed or there are not sufficient funds in the maker's account to cover the amount of the check) the check is then returned back through the presentment channel under the authority of the bank of first deposit to the original depositor. In comparison, Lowery teaches that the point of sale transaction is an on-line and real time process where the transaction is presented directly to the demand deposit posting system in the maker bank on a real time basis (column 4, lines 24 – 34, column 8, lines 47-55). If the transaction can be posted to the check maker's account the merchant is notified and the transaction is allowed. If no such positive notification is received, the merchant can either void the sales transaction or choose from several other methods of settlement (column 12, lines 12 – 40). The reviewer would point out that if a check (as per Lowery) cannot be posted real time, the transaction is not accepted, the notification is sent to the merchant who does not accept the online transaction and the item has no need to be returned.

g.   Regarding Claim 59

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- Examiner Argument

    The examiner also finds that "Lowery discloses sending the return check image data with a reference key directly or indirectly to the maker bank for re-presentment (column 9, lines 23 – 30). This interpretation and rejection are respectfully traversed.

- Response

    The term "re-presentment" is a term of art in the banking industry requiring that a physical transfer of the check or its image has gone through a bank of first deposit or has received an authorization from the bank of first deposit to be re-presented to the maker bank. This citing in Lowery incorrectly pre-supposes that a financial institution other than the maker bank had the transaction so as to be able to re-present it to the maker bank. In reality, a point of sale transaction is never handled by any bank other than the maker bank and therefore, the maker bank cannot (because there is no bank of first deposit involved) return a check to itself and also cannot re-present a check to itself (refer to the response for claim 58). The cited Lowery reference is more specifically referring to the resubmission (not re-presentment) of the transaction by the maker bank's database to the maker bank's own financial institution's data sources. One skilled in the art also knows that in the deposit processing process, as taught by the claim, when a check is captured and sent through the collection process it is authorized by the bank of first deposit and also sent to the maker bank for debiting of the check maker's demand deposit account for the amount of the check. If the check is not paid for any reason (such as a the maker's account is closed or there are not sufficient funds in the makers account to cover the amount of the check) the check is then sent back (see claim 58 response for description of the return item process) to the bank of first deposit which returns it to the original depositor. The original depositor has the option to then re-present the check with authorization of the bank of first deposit to the maker bank for payment.

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h.   Regarding Claim 60

• Examiner Argument

The examiner also finds that Lowery discloses determining if a re-
presentment of the returned check requires a duplicate hard copy of the
return check or if the original check data image is acceptable for the re-
presentment, and if the original check image is acceptable, obtaining a
reference key associated with an original deposit transaction, and
sending directly or indirectly original check image data and the reference
key to the maker bank (column 9, lines 23-30; column 11, lines 40-50.
This interpretation and rejection are respectfully traversed.

• Response

Lowery does not teach making a test to determine if a hard copy of the
check is acceptable for re-presentment. Lowery also does not teach re-
presentment of a check image for payment. Rather, Lowery teaches
resubmission of check data (consisting only of the demand deposit
account number) retrieved from an image. See responses to claims 52,
53, 57, 58 and 59 for explanations for return item and re-presentment
processing.

i.   Regarding Claim 119

• Examiner Argument

The examiner further cites "Lowery discloses the method further
comprises a system with a plurality of different remote site, the following
steps being performed at each of the plurality of remote sites; obtaining
electronic deposit data for the one or more original checks; converting
data for each of the one or more original checks into electronic check
data; creating an image of the on or more original checks to obtain

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original check image data; r ceiving endorsement and/or voiding
authorization from an external site after receipt of the one or more
checks; endorsing and/or voiding the original one or more checks to
obtain endorsed and /or voided checks, electronically associating the
electronic deposit data, the electronic deposit data, the electronic check
data and the original check image data; and transmitting the
electronically associated electronic check data and the original check
image data to the central site (column 5, line 57-column 6 line 53 and
column 7 lines 10-60). Also, see claim 47 for the use of voided check
image data. This interpretation and rejection are respectfully traversed

● Response

Because Lowery is a point of sale transaction system the discussion that
Lowery teaches a plurality of sites for a system that teaches remote
capture of deposits is not a valid one.

j.   Regarding Claim 121

● Examiner Argument

The examiner states that "Lowery does not disclose determining if
endorsement information on of the remote sites for printing on the check
is up-to-date; and if endorsement information at the remote site is not
up-to-date, then downloading updated endorsement information from the
central site. However, checking and obtaining the up-to-date
endorsement information is well known in the art of processing checks.
Therefore, it would have been obvious to include that feature with
Lowery's for the purpose of ensuring of endorsement information is an
up-to-date endorsement information. This interpretation and rejection are
respectfully traversed

● Response

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As correctly noted by the examiner, Lowery does not disclose determining if endorsement information at the remote site is up to date. Also, Lowery does not teach receiving endorsement data in any respect as explained in Claim 47 above. More specifically, as explained in Claim 47 response, Lowery teaches voiding information, which is expressly differentiated from endorsement information. As noted, Lowery teaches direct communication in real-time with a demand deposit system of a maker bank, so that there is no forwarding to interim banks which would need to endorse the check. Thus, Lowery would not use endorsement features, and adding such features would not be obvious and would not work in the Lowery system.

k.   Regarding Claim 122

- Examiner Argument

    The examiner further states that "Lowery discloses comparing an amount of a deposit to an amount of one or more checks against a deposit maximum, and providing a rejection notice if the deposit exceeds the deposit maximum (column 12, lines 12-18)." This interpretation and rejection are respectfully traversed

- Response

    As explained in responses to Claims 47, 48, 49, 55, 119, Lowery teaches point of sale processes, not deposit processing as taught by the invention application. Therefore, Lowery cannot teach comparing an amount of a deposit or an amount of one or more checks against a deposit maximum. (Note that the deposit maximum is unrelated to the amount of money in the account.) More specifically in the Lowery reference (column 12, lines 12-18) there is no mention made of comparing an amount of a deposit to an amount of one or more checks against a deposit maximum, and providing a rejection notice if the deposit exceeds the deposit maximum. More correctly, Lowery therein teaches corrective actions for a point of sale transaction when an

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exception condition occurs due to, for example, insufficient funds in the check maker's demand deposit account at the maker bank or due to the check maker's demand deposit account being closed. The reviewer cannot find any basis in fact that the above-cited reference teaches comparing deposits against deposit maximums.

l.   Regarding Claim 123

- Examiner Argument

    The examiner cites Lowery as disclosing "receiving return check image data from a return check coupled with a reference key for an original deposit transaction and a return reason (column 11, lines 40-50 and Column 10, Lines 5-17)."

- Response

    Please review Claim 58 and Claim 60 for further description of the return item process as it is associated with deposit processing and how such differs from the specific point of sales.

m.   **Regarding Claim 75-88, 124-128**

- Examiner Argument

    The examiner finally notes that "Claims 75-88, 124-128 are written in computer program product, claims 103-116, 129-133 are written in apparatus, that parallel the limitations found in claims 47-60, 119 – 123 discussed above, therefore are rejected by the same rationale". This interpretation and rejection are respectfully traversed

- Response

    These claims are in allowable condition for the reasons cited above for the method claims. However, note that the "/or" has not been deleted

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for these claims in the element "rec iving endorsed and/or voided check image data."

Regarding new claims 136-139, Lowery only teaches a single check image being taken and transmitted. These new claims require sending both the original check image data and the endorsed and/or voided check image data directly or indirectly to the maker bank or an associated print site. Lowery only teaches sending a single image based on the fact that Lowery only captures one image.

It is noted that the Examiner has taken official notice of a number of limitations In accordance with MPEP 2144.03, applicants traverse/challenge these official notice statements based on personal knowledge and request that each point of official notice be supported by a citation to a reference, as set forth by the MPEP Office requirements. This traverse of the official notice is made insofar as these statements of official notice are applied to the claims as amended.

In view of the foregoing amendments and remarks, the application is ready for allowance.

Applicant believes that the present application is now in condition for allowance. Favorable reconsideration of the application as amended is respectfully requested.

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The Examiner is invited to contact the undersigned by telephone if it is felt that a telephone interview would advance the prosecution of the present application.

Respectfully submitted,

Date May 2, 2003   By _____

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Should additional fees be necessary in connection with the filing of this paper, or if a petition for extension of time is required for timely acceptance of same, the Commissioner is hereby authorized to charge Deposit Account No. 19-0741 for any such fees; and applicant(s) hereby petition for any needed extension of time.

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47.   (Amended)   A method for <u>deposit</u> processing at a central site [an original check] <u>a plurality of original checks</u> deposited at a remote site <u>with accompanying deposit information</u>, comprising the steps of:

receiving [electronic] deposit [data] <u>information including a deposit account designation and where a plurality of checks from different third parties are being deposited by a single depositor a deposit sum, and</u> electronic check data and original check image data for a plurality of checks to be deposited;

identifying <u>MICR</u> errors <u>and/or image data errors</u> in the electronic [check] data <u>received</u>;

<u>if MICR and/or image data errors are identified in the electronic data, then sending an instruction to the remote site to correct the errors;</u>

if no errors are identified, sending endorsement and/or voiding authorization to the remote site;

receiving endorsed and[/or] voided check image data;

<u>associating the endorsed and voided check image data with the original check image data;</u>

<u>providing the electronic deposit data to an accounting system for a bank of first deposit;</u>

sorting the associated received data; and

transmitting [associated] electronic check data and the original check image data and/or the endorsed and[/or] voided check image data directly or indirectly to a maker bank or a print site associated therewith.

48.   (Amended)   The method as defined in claim 47, further comprising the step of sending [the electronic deposit data,]the electronic check data and the original check image data and/or the <u>endorsed and</u> voided check image data to a bank of first deposit.

50.   (Amended)   The method as defined in claim 47, further comprising <u>at the remote site</u>:

reading said original check image data to create imag information data; and

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comparing the image information data to the electronic check data.

52.   (Amended)   The method as defined in claim 47, further comprising the steps of:

determining if the maker bank requires a hard copy of the [original] check; and

if it does, sending [the original] check image data to a print site for printing and sending directly or indirectly to the maker bank; and

if it does not, sending the [original] check image data directly or indirectly to the maker bank.

53.   (Amended)   The method as defined in claim 47, further comprising the steps of:

determining if the maker bank requires a hard copy of the [original] check;

if it does, printing a copy of the [original] check from the [original] check image data and forwarding directly or indirectly the printed check to the maker bank; and

if not, sending the [original] check image data directly or indirectly to the maker bank.

54.   (Amended)   The method as defined in claim 47, [further comprising the steps:
sending a notice to the remote site]wherein if the original check image data [and/or the endorsed check image data] is inaccurate or unreadable, then sending the instruction to the remote site to correct without first storing at the central site the original check image data having the error; and

receiving corrected original check image data and/or corrected endorsed check image data.   :   .

55.   (Amended)   The method as defined in claim 47, further comprising after receiving the endorsed and[/or] voided check image data, sending an electronic notification to the remote site that a deposit is complete.

57.   (Amended)   The method as defined in claim 47, further comprising the step of determining if a bank of first deposit is a maker bank for the original check; and

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if it is the maker bank, then determining if the maker bank r quires a hard copy of the [original] check;

if the maker bank does require a hard copy of the [original] check, then causing a copy of the [original] check to be printed; and

if the maker bank does not require a hard copy of the [original] check, then sending the [original] check image data to the maker bank.

60. (Amended)   The method as defined in claim 59, further comprising

determining if a re-presentment of the returned check requires a duplicate hard copy of the return check or if the [original] check data image is acceptable for the re-presentment; and

if the [original] check image is acceptable, obtaining a reference key associated with an original deposit transaction; and

sending directly or indirectly the [original] check image data and the reference key to the maker bank.

75. (Amended)   A program product for deposit processing at a central site [an original check] a plurality of original checks deposited at a remote site with accompanying deposit information, the program product comprising machine readable program code for causing a machine to perform the following method steps:

receiving [electronic] deposit [data] information including a deposit account designation and where a plurality of checks from different third parties are being deposited by a single depositor a deposit sum for the plurality of checks, and electronic check data and original check image data for a plurality of checks to be deposited:

identifying MICR errors and/or image data errors in the electronic [check] data received;

if MICR and/or image data errors are identified in the electronic data, then sending an instruction to the remote site to correct the errors;

if no errors are identified, sending endorsement and/or voiding authorization to the remote site;

receiving endorsed and/or voided check image data;

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associating the endorsed and/or voided check image data with the original check image data;

providing the electronic deposit data to an accounting system for a bank of first deposit;

sorting the associated received data; and

transmitting [associated] electronic check data and the original check image data and/or the endorsed and/or voided check image data directly or indirectly to a maker bank or a print site associated therewith.

76. (Amended)   The program product as defined in claim 75, further comprising program code for causing the machine to perform the step of

sending the [electronic deposit data, the]electronic check data and the original check image data and/or endorsed and/or voided check image data to a bank of first deposit.

78.   (Amended)   The program product as defined in claim 75, further comprising program code for causing the machine to perform the following method steps at the remote site:

reading said original check image data to create image information data; and

comparing the image information data to the electronic check data.

80.   (Amended)   The program product as defined in claim 75, further comprising program code for causing the machine to perform the steps of:

determining if the maker bank requires a hard copy of the [original] check; and

if it does, sending [the original] check image data to a print site for printing and sending directly or indirectly to the maker bank; and

if it does not, sending the [original] check image data directly or indirectly to the maker bank.

81.   (Amended)   The program product as defined in claim 75, further comprising program code for causing the machine to perform the steps of:

determining if the maker bank requires a hard copy of the [original] check;

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if it does, printing a copy of the [original] check from [the original] check image data and forwarding directly or indirectly the printed check to the maker bank; and

if not, sending the [original] check image data directly or indirectly to the maker bank.

82.   (Amended)   The program product as defined in claim 75, [further comprising program code for causing a machine to perform the steps of:

sending a notice to the remote site]wherein if the original check image and/or the endorsed check image data is inaccurate or unreadable, then sending the instruction to the remote site to correct without first storing at the central site the original check image data having the error; and

receiving corrected [original] check image data and/or corrected endorsed check image data.

85.   (Amended)   The program product as defined in claim 75, further comprising program code for causing the machine to perform the step of determining if a bank of first deposit is a maker bank for the original check; and

if it is the maker bank, then determining if the maker bank requires a hard copy of the [original] check;

if the maker bank does require a hard copy of the [original] check, then causing a copy of the [original] check to be printed; and

if the maker bank does not require a hard copy of the [original] check, then sending the [original] check image data to the maker bank.

88.   (Amended)   The program product as defined in claim 87, further comprising program code for causing the machine to perform the step of

determining if a re-presentment of the returned check requires a duplicate hard copy of the return check or if the [original] check data image is acceptable for the re-presentment; and

if the [original] check image is acceptable, obtaining a reference key associated with an original deposit transaction; and

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sending directly or indirectly the [original] check image data and the reference
key to the maker bank.

103.   (Amended)   A system for deposit processing at a central site [an original
check]a plurality of checks deposited at a remote site with accompanying deposit
information, comprising: a component for receiving [electronic] deposit [data]
information including a deposit account designation and where a plurality of checks
from different third parties are being deposited by a single depositor a deposit sum for
the plurality of checks, and electronic check data and original check image data for a
plurality of checks to be deposited;

        a component for identifying MICR errors and/or image data errors in the
electronic [check] data received;

        a component for, if MICR and/or image data errors are identified in the
electronic data, then sending an instruction to the remote site to correct the errors;

        a component for, if no errors are identified, sending endorsement and/or voiding
authorization to the remote site;

        a component for receiving endorsed and/or voided check image data;

        a component for associating the endorsed and/or voided check image data with
the original check image data;

        a component for providing the electronic deposit data to an accounting system
for a bank of first deposit;

        a component for sorting the associated received data; and

        a component for transmitting [associated] electronic check data and the original
check image data and/or the endorsed and/or voided check image data directly or
indirectly to a maker bank or a print site associated therewith.

104.   (Amended)   The system as defined in claim 103, further comprising
        a component for sending the [electronic deposit data electronic check data and
original] check image data to a bank of first deposit.

108.   (Amended)   The system as defined in claim 103, further comprising:

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a component for determining if the maker bank requires a hard copy of the check, and, if it does, sending the [original] check image data to a print site for printing and sending directly or indirectly to the maker bank, and if it does not, sending the [original] check image data directly or indirectly to the maker bank.

109.   (Amended)   The system as defined in claim 103, further comprising:
        a component for determining if the maker bank requires a hard copy of the [original] check, if it does, printing a copy of the [original] check from the [original] check image data and forwarding directly or indirectly the printed check to the maker bank, and if not, sending the [original] check image data directly or indirectly to the maker bank.

110.   (Amended)   The system as defined in claim 103, [further comprising:
        a component for sending a notice to the remote site]wherein if the original check image data and/or the endorsed check image data is inaccurate or unrendable, then sending the instruction to the remote site to correct without first storing at the central site the original check image data having the error; and
        a component for receiving corrected original check image data and/or corrected endorsed check image data.

113.   (Amended)   The system as defined in claim 103, further comprising a component for determining if a bank of first deposit is a maker bank for the original check; and if it is the maker bank, then determining if the maker bank requires a hard copy of the [original] check; if the maker bank does require a hard copy of the [original] check, then causing a copy of the [original] check to be printed; and if the maker bank does not require a hard copy of the [original] check, then sending the [original] check image data to the maker bank.

116.   (Amended)   The system as defined in claim 115, further comprising
        a component for determining if a re-presentment of the returned check requires a duplicate hard copy of the [original]return check or if the [original] check data image is acceptable for the re-presentment; and if the [original] check image is acceptable,

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obtaining a reference key associated with an original deposit transaction and sending directly or indirectly the [original] check image data and the reference key to the maker bank.

119.   (Amended)   The method as defined in claim 49, further comprising a system with a plurality of different remote sites, the following steps being performed at each of the plurality of remote sites:

obtaining electronic deposit data for the one or more original checks;

converting data for each of the one or more original checks into electronic check data;

creating an image of the one or more original checks to obtain original check image data;

receiving endorsement and/or voiding authorization from an external site after receipt of the one or more checks;

endorsing and[/or] voiding the original one or more checks to obtain endorsed and[/or] voided checks;

creating an image of the endorsed and[/or] voided checks to obtain endorsed and[/or] voided check image data;

electronically associating the electronic deposit data, the electronic check data and the original check image data and the endorsed and[/or] voided check image data; and

transmitting the electronically associated electronic check data and the original check image data and/or the endorsed and[/or] voided check image to the central site.

129.   (Amended)   The system as defined in claim 105, further comprising a subsystem at a plurality of different remote sites, with the subsystem at each of the plurality of remote sites comprising:

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a component for obtaining electronic deposit data for the one or more original checks;

a component for converting data for each of the one or more original checks into electronic check data;

a component for creating an image of the one or more original checks to obtain original check image data;

a component for receiving endorsement and/or voiding authorization from an external site after receipt of the one or more checks;

a component for endorsing and/or voiding the original one or more checks to obtain endorsed and/or voided checks;

a component for creating an image of the endorsed and/or voided checks to obtain endorsed and/or voided check image data;

a component for electronically associating the electronic deposit data, the electronic check data and the original check image data and the endorsed [and for] and/or voided check image data; and

a transmitter for transmitting the electronically associated electronic check data and the original check image data and/or the endorsed and/or voided check image data to the central site.

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